

Local Policy 3.07

Primary Distribution Statistics

Date: December 20, 1971

Amended: June 12, 1972

In issuing Local Policy 3.07 on December 20, 1971 the Commission required Manitoba dealers to advise the Commission as to the volume of their sales of non-mutual fund issues to which Section 35 of The Securities Act applied, such advice to be included in or form an attachment to the notification as to cessation of primary distribution required to be filed by dealers pursuant to Section 54(2) of the Act.

The policy has been in effect since the first of this year. Several dealers have made representations to the Commission staff to the effect that the objective of the policy could be achieved by having the managing underwriter of the issue advise the Commission as to sales in Manitoba. It was submitted that this would eliminate the problems in respect of reporting institutional sales referred to in our circular letter of January 13, 1972 and would in the overall simplify reporting. It was further argued that the failure to report by a managing underwriter who was not a Manitoba registrant would be a very remote possibility. The Commission is inclined to view these representations as being reasonable.

Accordingly, effective with prospectuses filed on and after July 1, 1972 in respect of non-mutual fund offerings to which Section 35 of The Securities Act apply, the obligation to report will devolve upon the managing underwriter of the issue who will be required to report to the Commission within one month after the cessation of primary distribution the volume of sales of the issue in Manitoba.